GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2792
ANSWERED ON:10.03.2003
DISTRESS SALE OF COTTON
MAHBOOB ZAHEDI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether in the southern and western parts of Orissa, the cotton growers were forced to go in for distress sale of their cultivation;

(b) if so, the details thereof;

(c) whether Orissa produced 1.30 lakh bales of cotton in 2001 which came down to 30,000 bales only in 2002;

(d) if so, the reasons therefor;

(e) whether the production of cotton was 13,000 quintals per acre in 2001 which came down to 4,000 quintals per acre in 2002;

(f) if so, the reasons therefor;

(g) whether the Government have initiated remedial steps in this regard; and

(h) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): No distress sale of cotton by the cultivators in southern and western parts of Orissa has been reported. The price of seed cotton is ruling above the Minimum Support Price (MSP) level during the current cotton season 2002-03 in all cotton growing States which also includes Orissa.

(c) to (f): The area, production and yield of cotton in Orissa is indicated below:

YEAR	AREA`000 Hectare	PRODUCTION `000 Bales of 170 Kgs each	YIELD Kgs/Hectare.
2000-01	40.4	65.3	275
2001-02	35.8	59.8	284

The Area and Production of Raw Cotton in Orissa in 2001-02 declined by 11.4% and 8.4% respectively over that of the previous year. However, the yield of cotton increased from 275 Kgs/Hectare in 2000-01 to 284 Kgs/Hectare in 2001-02. The decline in area is due to lower prices of cotton in 2001-02 over that of the previous year leading farmers to switch over to other cash crops.

(g) & (h): A Centrally Sponsored Scheme on Intensive Cotton Development Programme (ICDP) is being implemented in 13 cotton growing states including Orissa for increasing cotton production, productivity & improvement in fiber quality. The funding pattern under the scheme is mostly 75:25 sharing basis between the Government of India and the implementing states.

The Cotton Corporation of India (CCI) has also undertaken contract farming programmes in the State of Orissa and signed Memorandum of Understanding with the representatives of farmers of the State for implementation of the programme. This is expected to give a boost to the concept of contract farming and ultimately benefit the farmers in the State. In addition the Government implements the Price Support Scheme (PSS) under which CCI, a central nodal agency, undertakes price support operation in the event of market prices falling below the Minimum support Price level